

CITY OF MATLOSANA

Date: 2023/06/09

1

TO:

Author of the item: Lesego Moloke

Attached hereto an item for you to consider in terms of the Delegation of Powers and Functions, delegated power serial number

HEAD OF DIVISION: <u>EM Gouwe</u>
SIGNED: <u>[Signature]</u>
DATE: <u>9 June 2023</u>

Received by Deputy Director: Administration

Date and Time: 9/6/2023

Signature: [Signature]

Director: Corporate Support	Date	COMMENTS:
Chief Financial Officer	<u>09/06/2023</u>	<u>Supported.</u>
Director: Planning & Human Settlements	Date	COMMENTS:
Director: Technical and Infrastructure	Date	COMMENTS:
Director: Community Development	Date	COMMENTS:
Director: Public Safety	Date	COMMENTS:
Director: Local Economic Development	Date	COMMENTS:

2 MUNICIPAL MANAGER

SIGNATURE: [Signature] DATE: 09/06/2023

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Items will not be considered by the Municipal Manager unless the following signatures are reflecting: Director of Relev department, Chief Financial Officer and Director: Corporate Services

MONTHLY BUDGET STATEMENT FOR THE MONTH ENDED ON 31 MAY 2023

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PART 1: IN-YEAR REPORT

1. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL PERFORMANCE OF THE MUNICIPALITY FOR THE PERIOD ENDED ON 31 MAY 2023

1.1 Performance summary

Table 1: Performance summary

Summary statement of Financial Performance					
Description	YTD Budget 2022/23	MAY 2022/23 Actual	YTD Actual 2022/23	Variance Favourable (Unfavourable)	YTD Variance %
Total Revenue by Source	3,772,995,365	238,861,427	3,452,593,580	(320,401,785)	- 8,49%
Total Operating Expenditure	3,989,927,864	206,496,491	2,751,231,087	(1,238,696,777)	- 31,05%
SURPLUS/ (DEFICIT).	(216,932,499)	32,364,937	701,362,493	(918,294,992)	

Revenue

The revenue for the month ending 31 May 2023 amounts to R239 million and the year to date actual amounts to R3,452 billion. It reflects a negative variance of 8.49% when compared with the year-to date budget of R3,773 billion.

The negative revenue is also affected by the following factors:

- The revenue enhancement strategies as reflected in the budget funding plan has not yet been fully effective;
- Illegal connections
- Debtors' book that is increasing due to non-payment of debtors

Revenue billed is expected to increase as the municipality is enforcing revenue enhancement strategies and debt collection methods. The detailed reasons for the variances are outlined on table 18.

Expenditure

The operating expenditure for the month ending 31 May 2023 amounts to R206 million and the year-to-date actual operating expenditure amounts to R2,751 billion. It reflects a negative variance of 31.05% when compared with the year-to date budget of R3.989 billion. Negative variance is as a result of cash flow challenges. Spending on most of the items is directly linked with cash flow. If there is improvement on cash flow, then spending will also increase. The detailed reasons for the variances are outlined on table 18

Cash management

Bank Balances	R 4,826,205.21
Call Investments	R 144,459,516.27
Cash and Cash Investments	R 149,285,721.48

Investment Portfolio: 31 May 2023

City of Matlosana

INSTITUTION	INTEREST RATE	MAY 2023	EXPLANATION
Call Investment			
ABSA: 3854	3.73%	9,496,287.36	WSIG
ABSA: 5047	4.70%	7,950,126.41	INEP
ABSA: 6177	6.75%	46,734,410.95	MIG
ABSA: 2264	4.70%	7,541,126.48	own
ABSA: 4682	6.65%	10,607,542.25	NDPG
ABSA: 4063	1.55%	2,683,594.83	EEDSM
ABSA: 1223	6.75%	92,085.30	HSDG
ABSA:5203		28,327,446.42	own (Salaries)
INVESTEC	3.30%	7,653,452.82	own
FNB		23,373,443.45	COVID
TOTAL Call Investment		144,459,516.27	

Note: The R100.9 million Call investment is ring-fenced for Conditional Grants

Collection Rate & Outstanding Debtors

Total Outstanding Debtors	R 7,829,750,215
Debtors: Government	R 101,387,083
Debtors: Business	R 608,156,863
Debtors: Household	R 7,120,206,269

Note: The detailed Debtors Age analysis is outlined on Table 12. The collection rate for the month ending 31 May 2023 is 72%. The collection rate has increased by 25% from April month where 47% was achieved.

Creditors

Total Outstanding Creditors	R 3,079,076,663
ESKOM	R 1,656,150,316
Midvaal	R 1,294,055,556
Trade Creditors	R 128,830,475
Auditor General	R 40,216

Note: The detailed Creditors Age analysis is outlined on Table 13

Capital Grants expenditure

	BUDGET	May	YTD	YTD %
CAPITAL GRANT EXPENDITURE	2022/23	Expenditure	ACTUALS Incl	Incl VAT
		Incl VAT	VAT	
		2022/23		
MIG	95 177 651	4 724 971	41 027 969	43,11
NDPG	30 000 000	1 385 127	11 991 439	39,97
INEP	29 064 000	4 215 207	16 669 740	57,36
WSIG	15 676 000		1 755 104	11,20
TOTAL	169 917 651	10 325 306	71 444 252	42,05

Note: The total Capital grants budget amounts to R 169.9 million. The total expenditure for the month ending 31 May 2023 amounts to R 10.3 million, and the year-to-date actual expenditure amounts to R71.4 million representing 42.05% of the total Capital budget. The capital spending is relatively low as compared to the 92% of the Year to date budget.

2. IN – YEAR BUDGET STATEMENT MAIN TABLE

2.1 Monthly budget statement summary. The table below provides a high- level summary of the Municipal's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis

NW403 City Of Matlosana - Table C1 Monthly Budget Statement Summary - M11 May

Description	2021/22		Budget year 2022/23		YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual					
R thousands									
Financial Performance									
Property rates	451 441	507 345	532 836	35 885	424 518	485 459	(60 941)	-13%	532 836
Service charges	1 901 216	2 308 170	2 205 332	136 030	1 803 817	2 033 552	(229 735)	-11%	2 205 332
Investment revenue	10 685	9 270	9 270	1 410	13 627	8 497	5 130	60%	9 270
Transfers and subsidies	511 231	561 824	561 978	734	548 019	515 129	32 890	6%	561 978
Other own revenue	821 241	633 244	684 977	57 489	596 427	574 601	21 825	4%	684 977
Total Revenue (excluding capital transfers and contributions)	3 695 815	4 019 854	3 994 393	231 548	3 386 407	3 617 238	(230 831)	-6%	3 994 393
Employee costs	686 188	744 037	742 937	61 031	644 099	681 263	(37 165)	-5%	742 937
Remuneration of Councillors	34 189	39 456	39 456	3 022	33 890	36 168	(2 278)	-6%	39 456
Depreciation & asset impairment	383 480	440 000	440 000	-	272 329	403 333	(131 005)	-32%	440 000
Finance charges	117 080	10 123	10 123	90	1 131	9 280	(8 149)	-88%	10 123
Inventory consumed and bulk purchases	1 375 438	1 259 046	1 608 357	103 041	745 871	1 470 022	(724 150)	-49%	1 608 357
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	1 877 514	1 448 865	1 525 928	39 312	1 053 912	1 389 861	(335 950)	-24%	1 525 928
Total Expenditure	4 473 890	3 941 528	4 366 801	206 496	2 751 231	3 989 928	(1 238 697)	-31%	4 366 801
Surplus/(Deficit)	(778 075)	78 326	(372 409)	25 052	635 176	(372 690)	1 007 866	-270%	(372 409)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	156 811	169 918	169 918	7 313	66 187	155 758	(89 571)	-58%	169 918
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(621 264)	248 244	(202 491)	32 365	701 362	(216 932)	918 295	-423%	(202 491)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(621 264)	248 244	(202 491)	32 365	701 362	(216 932)	918 295	-423%	(202 491)
Capital expenditure & funds sources									
Capital expenditure	152 541	217 038	230 651	14 121	82 935	209 842	(126 908)	-60%	230 651
Capital transfers recognised	145 097	169 918	169 918	6 755	62 416	155 758	(93 342)	-60%	169 918
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7 444	47 120	60 734	7 367	20 519	54 084	(33 566)	-62%	60 734
Total sources of capital funds	152 541	217 038	230 651	14 121	82 935	209 842	(126 908)	-60%	230 651
Financial position									
Total current assets	1 734 431	1 328 063	1 390 616	-	2 853 440	-	-	-	1 390 616
Total non current assets	5 565 160	5 066 938	5 080 552	-	5 375 545	-	-	-	5 080 552
Total current liabilities	4 033 788	1 831 731	2 358 633	-	4 271 591	-	-	-	2 358 633
Total non current liabilities	42 018	81 274	81 274	-	32 556	-	-	-	81 274
Community wealth/Equity	4 841 579	4 233 752	4 233 752	-	3 948 612	-	-	-	4 233 752
Cash flows									
Net cash from (used) operating	2 152 140	59 754	59 754	166 507	1 958 109	54 770	(1 903 339)	-3475%	59 754
Net cash from (used) investing	(152 541)	(217 005)	(217 038)	(14 121)	(82 935)	(198 921)	(115 986)	58%	(217 005)
Net cash from (used) financing	-	1 500	-	-	-	1 375	1 375	100%	1 500
Cash/cash equivalents at the month/year end	1 804 197	155 104	153 572	-	2 100 096	168 080	(1 932 016)	-1149%	69 170
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	302 103	189 844	162 226	7 175 578	-	-	-	-	7 829 750
Creditors Age Analysis									
Total Creditors	187 010	193 766	61 470	2 636 832	-	-	-	-	3 079 077

2.2 Monthly Budget Statement – Financial Performance (Revenue per department)

Actual operating revenue per source

The actual operating revenue per department is set out in Table 3 below. From table 1 it is clear that year to date actual operating revenue amounts to R3,452 billion and compares unfavourably with the pro rata budgeted figure of R3,772 billion a negative variance of R320 million for the month ending 31 May 2023.

TABLE 3: ACTUAL REVENUE PER SOURCE 31 May 2023

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		451,441	507,345	532,836	35,885	424,518	485,459	(60,941)	-13%	532,836
Service charges - electricity revenue		957,447	1,127,210	1,084,563	47,073	808,356	999,158	(190,802)	-19%	1,084,563
Service charges - water revenue		650,602	783,676	743,676	61,097	685,594	686,369	(775)	0%	743,676
Service charges - sanitation revenue		125,356	173,864	153,673	11,924	130,119	143,222	(13,103)	-9%	153,673
Service charges - refuse revenue		167,812	223,421	223,421	15,936	179,747	204,802	(25,055)	-12%	223,421
Rental of facilities and equipment		251,709	8,105	8,833	591	7,521	8,012	(491)	-6%	8,833
Interest earned - external investments		10,685	9,270	9,270	1,410	13,627	8,497	5,130	60%	9,270
Interest earned - outstanding debtors		504,706	513,875	582,914	51,864	538,169	479,313	58,856	12%	582,914
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		7,356	4,523	4,523	372	2,828	4,146	(1,318)	-32%	4,523
Licences and permits		8,023	10,384	9,199	672	7,084	8,281	(1,197)	-14%	9,199
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		511,231	561,824	561,978	734	548,019	515,129	32,890	6%	561,978
Other revenue		48,745	96,358	79,508	3,988	40,813	74,848	(34,036)	-45%	79,508
Gains		701	-	-	2	11	-	11	#DIV/0!	-
transfers and contributions)		3,695,815	4,019,854	3,994,393	231,548	3,386,407	3,617,238	(230,831)	-6%	3,994,393
Transfers and subsidies - capital (monetary allocations) (National /		156,811	169,918	169,918	7,313	66,187	155,758	(89,571)	(0)	169,918
TOTAL		3,852,626	4,189,772	4,164,310	238,861	3,452,594	3,772,995	(320,402)	(0)	4,164,310

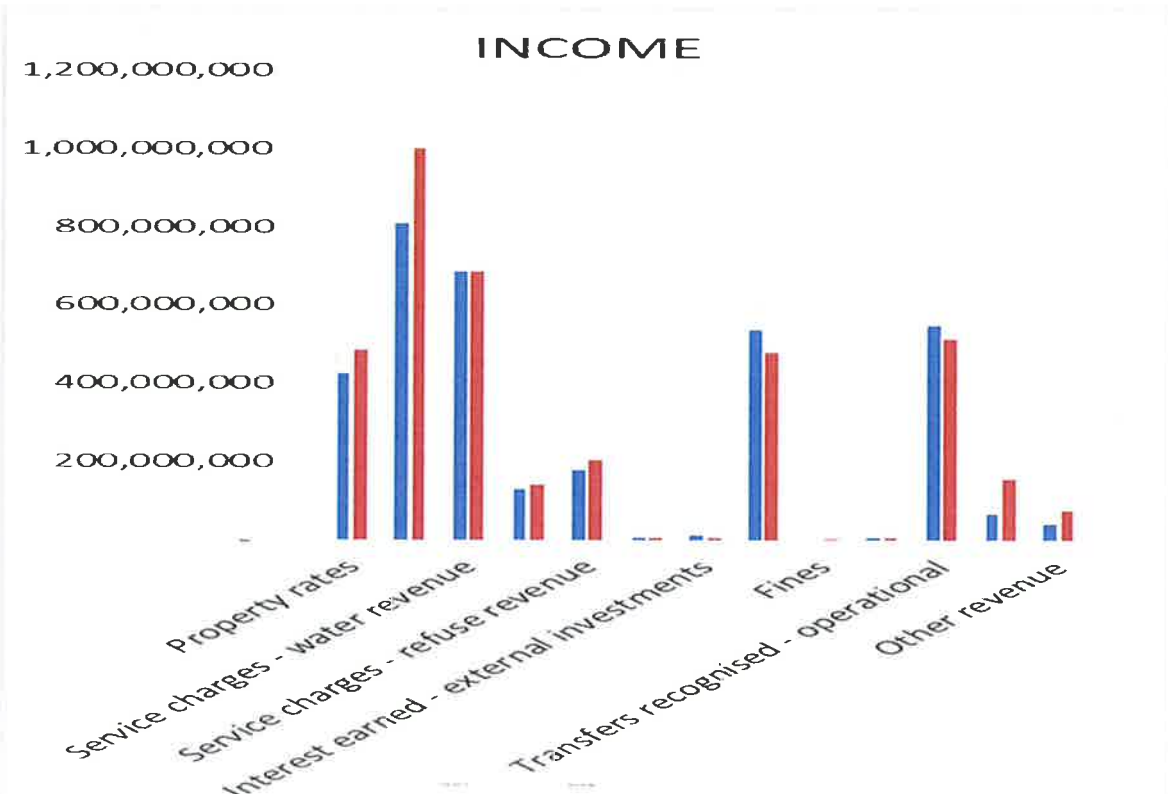
The YTD variance on revenue is mainly due to the following items:

- **Service charges – Electricity revenue 19% less:** Less revenue billed on electricity than initially anticipated. The budget on electricity revenue was adjusted downwards with the February adjustment budget to bring it in line with the current trends. However, the municipality is enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed. The reduction on this line item can also be attributed to the current implementation of load shedding by Eskom.
- **Service charges – Refuse revenue 12% less:** Revenue was less than projected
- **Interest earned – External Investment 60% more:** Revenue was more than projected, mainly on interest earned on investments.
- **Interest earned – Outstanding debtors 12% more:** The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.
- **Fines, penalties & forfeits 32% less:** The budgeted amount consists of numerous items (e.g. traffic fines, court fines, illegal connection, etc.) in this instance under performance was mostly on non-collection of traffic fines which was due to shortage of staff and vacant positions that are not filled to date. According the traffic department, they are in a process of advertising post of which changes will be seen in the coming months after the appointment of new staff
- **License and Permits 14% less:** One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices
- **Other Revenue 45% less:** The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.

TABLE 4: ACTUAL REVENUE PER DEPARTMENT 31 MAY 2023

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Functional										
<i>Governance and administration</i>		1,103,392	1,220,631	1,268,994	52,897	1,131,595	1,157,602	(26,007)	-2%	1,268,994
Executive and council		952	2,829	2,729	336	2,475	2,513	(38)	-2%	2,729
Finance and administration		1,102,440	1,217,802	1,266,266	52,560	1,129,120	1,155,089	(25,969)	-2%	1,266,266
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		325,340	99,627	81,846	4,378	41,383	77,100	(35,717)	-46%	81,846
Community and social services		263,727	4,350	4,529	249	2,293	4,131	(1,838)	-44%	4,529
Sport and recreation		29,670	14,872	14,872	81	6,596	13,633	(7,037)	-52%	14,872
Public safety		28,136	33,404	32,444	3,547	25,421	29,853	(4,432)	-15%	32,444
Housing		3,808	47,000	30,000	501	7,073	29,483	(22,410)	-76%	30,000
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		70,959	57,038	57,038	1,268	34,018	52,285	(18,267)	-35%	57,038
Planning and development		9,993	10,763	10,763	986	8,963	9,866	(903)	-9%	10,763
Road transport		60,814	46,065	46,065	270	24,858	42,226	(17,368)	-41%	46,065
Environmental protection		152	210	210	12	196	193	3	2%	210
<i>Trading services</i>		2,316,072	2,785,219	2,728,446	180,318	2,231,566	2,507,699	(276,133)	-11%	2,728,446
Energy sources		1,017,620	1,209,703	1,178,456	52,822	878,375	1,083,897	(205,521)	-19%	1,178,456
Water management		879,796	1,018,229	998,532	85,121	911,371	917,619	(6,248)	-1%	998,532
Waste water management		143,840	207,797	187,605	13,075	136,557	174,327	(37,770)	-22%	187,605
Waste management		274,817	349,489	363,853	29,300	305,263	331,856	(26,593)	-8%	363,853
<i>Other</i>	4	36,863	27,258	27,986	-	14,032	25,569	(11,536)	-45%	27,986
Total Revenue - Functional	2	3,852,626	4,189,772	4,164,310	238,861	3,452,594	3,820,254	(367,661)	-10%	4,164,310



2.3 Monthly Budget Statement – Financial Performance (Expenditure per category)

Actual operating expenditure per category

The actual operating expenditure per vote is set out in Table 5 below. Year to date actual operating expenditure of R 2,751 billion compares unfavourably with the pro rata budgeted expenditure of R 3,989 billion a variance of R 1,238 billion

TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR MAY 2023

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		686,188	744,037	742,937	61,031	644,099	681,263	(37,165)	-5%	742,937
Remuneration of councillors		34,189	39,456	39,456	3,022	33,890	36,168	(2,278)	-6%	39,456
Debt impairment		1,302,816	788,344	788,344	(10)	591,888	722,649	(130,761)	-18%	788,344
Depreciation & asset impairment		383,480	440,000	440,000	-	272,329	403,333	(131,005)	-32%	440,000
Finance charges		117,080	10,123	10,123	90	1,131	9,280	(8,149)	-88%	10,123
Bulk purchases - electricity		874,375	1,088,924	1,088,924	68,634	345,898	998,180	(652,282)	-65%	1,088,924
Inventory consumed		501,063	170,122	519,433	34,407	399,973	471,841	(71,868)	-15%	519,433
Contracted services		335,867	435,466	459,607	22,523	251,181	418,695	(167,514)	-40%	459,607
Transfers and subsidies								-		
Other expenditure		216,986	225,054	277,976	16,799	210,842	248,517	(37,675)	-15%	277,976
Losses		21,845	-	-	-	-	-	-		-
Total Expenditure		4,473,890	3,941,528	4,366,801	206,496	2,751,231	3,989,928	(1,238,697)	-31%	4,366,801

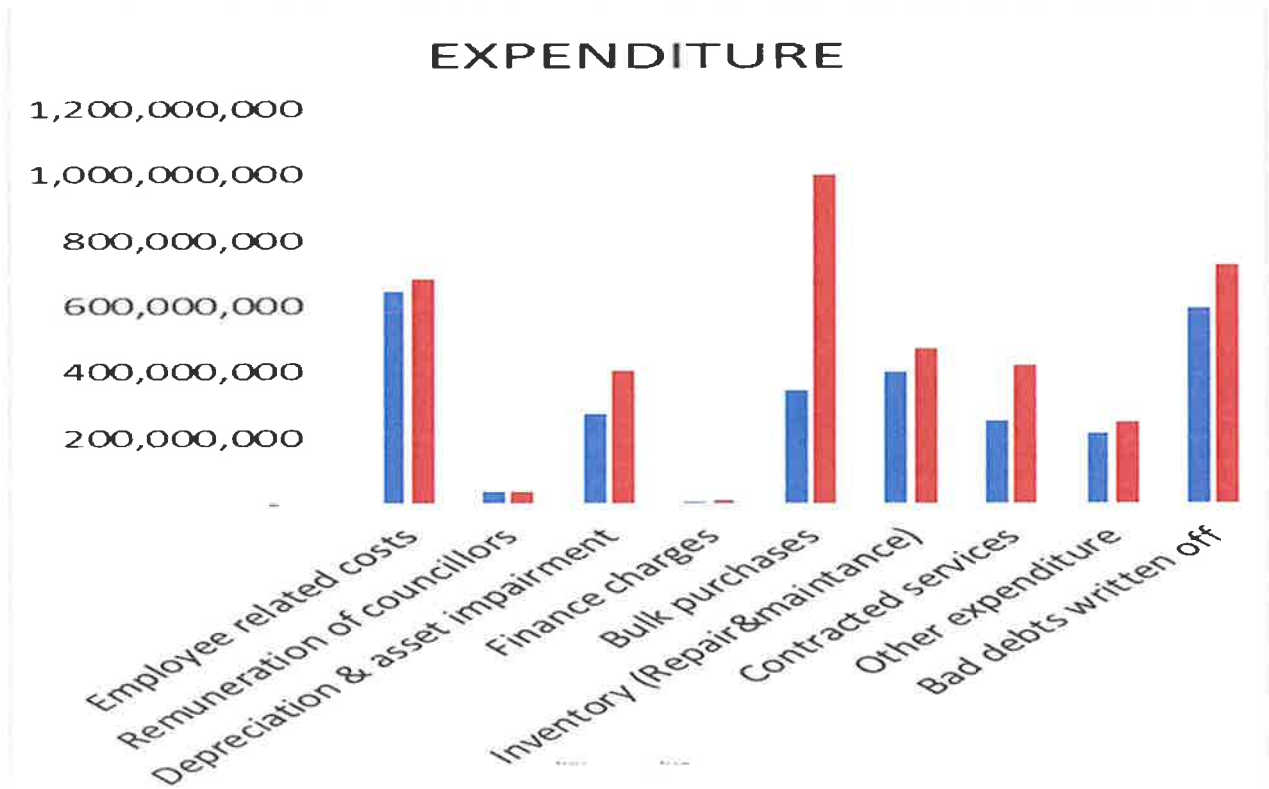
The variance on the expenditure against the YTD budget is mainly on the following items:

- **Finance charges 88% less:** The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.
- **Bulk Purchases 65% less:** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the Municipality to meet the obligation due to the low collection rate.
- **Contracted services 40% less:** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Under performance can be attributed to the delay in payments of invoices due to financial constraints. Funds are committed and expenditure is expected to increase in the following month.
- **Inventory consumed 15% less:** Inventory consumed includes Bulk water expenditure is lower due to the outstanding Midvaal invoices, the Municipality is struggling to meet the obligation due to financial constraints.
- **Other Expenses less 15%:** Is as a result of cash flow challenges. Spending on the items is directly linked with cash flow. If there is improvement on cash flow, then spending will also increase.

TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR MAY 2023

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure - Functional										
Governance and administration		1,206,014	746,226	730,518	30,273	525,146	671,004	(145,858)	-22%	730,518
Executive and council		279,619	431,089	401,261	18,600	276,409	371,298	(94,889)	-26%	401,261
Finance and administration		922,698	309,136	323,256	11,103	243,000	294,205	(51,204)	-17%	323,256
Internal audit		3,697	6,001	6,001	570	5,736	5,501	235	4%	6,001
Community and public safety		296,946	383,563	395,854	22,795	302,537	361,466	(58,929)	-16%	395,854
Community and social services		63,816	116,557	119,289	4,201	69,503	109,036	(39,534)	-36%	119,289
Sport and recreation		90,892	100,852	101,952	6,895	97,812	93,329	4,483	5%	101,952
Public safety		138,930	159,088	161,298	11,634	123,144	147,599	(24,455)	-17%	161,298
Housing		3,206	6,903	13,153	63	12,056	11,353	702	6%	13,153
Health		101	162	162	2	23	148	(126)	-85%	162
Economic and environmental services		246,223	284,751	293,197	21,815	222,856	267,755	(44,900)	-17%	293,197
Planning and development		84,720	69,467	69,412	4,389	51,713	63,611	(11,898)	-19%	69,412
Road transport		161,979	213,300	221,801	17,036	169,721	202,326	(32,605)	-16%	221,801
Environmental protection		(476)	1,984	1,984	390	1,422	1,819	(397)	-22%	1,984
Trading services		2,700,663	2,501,039	2,921,242	130,546	1,685,903	2,665,884	(979,981)	-37%	2,921,242
Energy sources		1,148,407	1,629,984	1,695,472	93,683	801,106	1,546,543	(745,437)	-48%	1,695,472
Water management		1,046,263	417,355	746,650	15,525	534,012	683,112	(149,100)	-22%	746,650
Waste water management		218,936	200,674	224,594	8,784	173,671	203,088	(29,417)	-14%	224,594
Waste management		287,057	253,026	254,526	12,554	177,114	233,141	(56,028)	-24%	254,526
Other		24,043	25,948	25,990	1,067	14,790	23,820	(9,029)	-38%	25,990
Total Expenditure - Functional	3	4,473,890	3,941,528	4,366,801	206,496	2,751,231	3,989,928	#####	-31%	4,366,801
Surplus/ (Deficit) for the year		(621,264)	248,244	(202,491)	32,365	701,362	(169,674)	871,037	-513%	(202,491)



2.4 Actual capital expenditure (excluding vat) per vote and funding source

The actual capital expenditure per vote is set out in Table 7 below.

TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR MAY 2023

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11
May

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		-	14,820	29,134	422	8,282	24,826	(16,544)	-67%	29,134
Executive and council		-	11,820	26,109	422	5,407	22,056	(16,649)	-75%	26,109
Finance and administration		-	3,000	3,025	-	2,876	2,770	106	4%	3,025
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		25,390	19,431	18,731	3,716	8,130	17,462	(9,331)	-53%	18,731
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		25,390	10,431	10,431	(1,162)	2,121	9,562	(7,441)	-78%	10,431
Public safety		-	3,000	3,000	-	1,132	2,750	(1,618)	-59%	3,000
Housing		-	6,000	5,300	4,878	4,878	5,150	(272)	-5%	5,300
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		50,195	57,182	61,004	3,098	21,901	55,092	(33,191)	-60%	61,004
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		50,195	57,182	61,004	3,098	21,901	55,092	(33,191)	-60%	61,004
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		63,277	116,241	112,419	7,947	42,995	103,879	(60,884)	-59%	112,419
Energy sources		24,609	55,544	55,544	6,270	25,050	50,915	(25,865)	-51%	55,544
Water management		24,327	28,715	32,680	137	6,673	29,876	(23,203)	-78%	32,680
Waste water management		14,342	21,535	11,569	-	1,127	11,768	(10,641)	-90%	11,569
Waste management		-	10,447	12,626	1,540	10,144	11,319	(1,175)	-10%	12,626
<i>Other</i>		13,678	9,364	9,364	(1,062)	1,627	8,584	(6,957)	-81%	9,364
Total Capital Expenditure - Functional Classification	3	152,541	217,038	230,651	14,121	82,935	209,842	(126,908)	-60%	230,651

NOTE: The total capital budget amounts to R 217 million. The year-to-date expenditure as at 31 May 2023 amounts to R 82 million.

TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR MAY 2023

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11
May

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Funded by:										
National Government		145,097	169,918	169,918	6,755	62,416	155,758	(93,342)	-60%	169,918
Provincial Government										
District Municipality										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Entities, Public Companies, Water Projects)										
Transfers recognised - capital		145,097	169,918	169,918	6,755	62,416	155,758	(93,342)	-60%	169,918
Borrowing	6									
Internally generated funds		7,444	47,120	60,734	7,367	20,519	54,084	(33,566)	-62%	60,734
Total Capital Funding		152,541	217,038	230,651	14,121	82,935	209,842	(126,908)	-60%	230,651

The variance on the expenditure against the YTD budget is mainly on the following items:

MIG

1. Sewer Pump Stations in KOSH
 - Budget limitations in completing some of the construction scope of works due to AFA partial approval, and there is not enough budget for Consultants Fees
2. Extension of National Fresh Produce Market in Klerksdorp Phase2
 - Slow rate of progress by contractor citing cash flow challenges.
3. Upgrading of Outfall Sewer in Jouberton and Alabama Extensions
 - Delays in project registration by CoGTA.
4. Refurbishment of Electrical and Mechanical Equipment in the Water Pump Stations in KOSH
 - Delays in arrival of soft starters from international supplier hampering with progress.
 - Slow progress by contractor because the municipality has not approved the water shut downs applied for by HT Pelatona at various pump stations which are required to fit various components at the pump stations.
5. Paving of Taxi Routes and Storm Water Drainage in Khuma (Phase 9)
 - Contractor is behind programme of works due to rain delays, poor performance and partially suspension and removal of construction equipment from site from 28 February 2023.

- Delays by the households at extension 11 to relocate their household as per Surveyor's Certificate. This is delaying Eskom from relocating their infrastructure and also the Contractor to be able to start working on extension 11

NDPG

- Approved amount of professional fees has been depleted on the Construction of Jouberton Taxi Rank and not able to make any payment to the consultant. Further, some of the key professional have partially suspended their services due to non-payment by the municipality.
- Not enough funds to complete all the works the contractor was appointed for and also pay additional professional fees for the Construction of Jouberton Taxi Rank.
- The construction works are behind in comparison with time elapsed and there is poor expenditure. Design Reviews by new Consultant are also contributing to slow progress

WSIG

- Poor performance by the Contractor on the Refurbishment of Jouberton Reservoir, resulting to poor expenditure on the WSIG Grant.
- Contractor delayed by the suspension of the water shutdown at Jouberton reservoir. The contractor cannot work as the Pump station contractor has to complete his work before the Reservoir contractor can continue with the Valve chamber

TABLE 9: FINANCIAL POSITION

NW403 City Of Matlosana - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1,831,206	65,145	65,145	236,739	65,145
Call investment deposits		(1,606,285)	333,248	333,248	197,652	333,248
Consumer debtors		484,523	632,866	695,418	1,254,515	695,418
Other debtors		986,440	243,161	243,161	1,104,876	243,161
Current portion of long-term receivables		7	29	29	(20)	29
Inventory		38,539	53,615	53,615	59,676	53,615
Total current assets		1,734,431	1,328,063	1,390,616	2,853,440	1,390,616
Non current assets						
Long-term receivables		-	33	33	-	33
Investments						
Investment property		349,865	257,100	257,100	349,865	257,100
Investments in Associate						
Property, plant and equipment		5,832,224	4,798,047	4,811,660	5,642,609	4,811,660
Biological						
Intangible		1,297	1,817	1,817	1,297	1,817
Other non-current assets		(618,226)	9,941	9,941	(618,226)	9,941
Total non current assets		5,565,160	5,066,938	5,080,552	5,375,545	5,080,552
TOTAL ASSETS		7,299,591	6,395,002	6,471,168	8,228,985	6,471,168
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		(5,042)	2,000	2,000	(5,042)	2,000
Consumer deposits		64,143	94,930	94,930	65,935	94,930
Trade and other payables		3,411,205	1,177,431	1,704,332	3,647,035	1,704,332
Provisions		563,482	557,371	557,371	563,664	557,371
Total current liabilities		4,033,788	1,831,731	2,358,633	4,271,591	2,358,633
Non current liabilities						
Borrowing		42,018	81,274	81,274	32,556	81,274
Provisions		-	-	-	-	-
Total non current liabilities		42,018	81,274	81,274	32,556	81,274
TOTAL LIABILITIES		4,075,805	1,913,005	2,439,907	4,304,147	2,439,907
NET ASSETS	2	3,223,786	4,481,996	4,031,261	3,924,837	4,031,261
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		4,841,579	4,233,752	4,233,752	3,948,612	4,233,752
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	4,841,579	4,233,752	4,233,752	3,948,612	4,233,752

Note: The financial position as indicated in Table 9 above shows that the Net Assets of the City of Matlosana as at 31 May 2023 amounts to R3.9 billion

2.5 Monthly Budget Statement - Cash Flow Statement

Collection rate – collection rate for the month ending 31 May 2023 is 72%. The collection rate has increased by 25% from April month where 47% was achieved.

TABLE 10: ACTUAL CASH FLOW MAY 2023

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		419,718	365,289	365,289	27,608	329,193	334,848	(5,655)	-2%	365,289
Service charges		1,351,237	1,685,932	1,685,932	91,445	960,350	1,545,438	(585,087)	-38%	1,685,932
Other revenue		3,785,551	237,037	237,037	259,153	3,254,687	217,284	#####	1398%	237,037
Transfers and Subsidies - Operational		479,886	561,824	561,824	-	547,682	515,006	32,676	6%	561,824
Transfers and Subsidies - Capital		170,551	169,918	169,918	-	150,412	155,758	(5,346)	-3%	169,918
Interest		21	108,337	108,337	-	22	99,309	(99,286)	-100%	108,337
Dividends								-		
Payments										
Suppliers and employees		(4,054,823)	(3,068,583)	(3,068,583)	(211,699)	(3,284,237)	(2,812,872)	471,365	-17%	(3,068,583)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,152,140	59,754	59,754	166,507	1,958,109	54,770	#####	-3475%	59,754
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	33	-	-	-	30	(30)	-100%	33
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(152,541)	(217,038)	(217,038)	(14,121)	(82,935)	(198,951)	(116,017)	58%	(217,038)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(152,541)	(217,005)	(217,038)	(14,121)	(82,935)	(198,921)	(115,986)	58%	(217,005)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	1,500	-	-	-	1,375	(1,375)	-100%	1,500
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	1,500	-	-	-	1,375	1,375	100%	1,500
NET INCREASE/ (DECREASE) IN CASH HELD		1,999,599	(155,751)	(157,284)	152,385	1,875,175	(142,776)			(155,751)
Cash/cash equivalents at beginning:		(195,402)	310,855	310,855	(181,786)	224,921	310,855			224,921
Cash/cash equivalents at month/year end:		1,804,197	155,104	153,572		2,100,096	168,080			69,170

NOTE: The cash and call Investments for the month ending 31 May 2023 amounts to R149 million which consists of the following:

Bank balances: R4.8 million

Call investments: R144.4 million

2.6 Actual borrowings

The municipality's position on external loans is set out in Table 11 below. The municipality started the 2022/23 financial year with borrowing debt of R12,866,179 and after repayments R 3,195,382 were made, the total borrowings outstanding as at 31 May 2023 amounts to R 9,670,797

TABLE 11: ACTUAL BORROWING FOR MAY 2023

ANNEXURE A

Borrowing Reference No	Start Date	End Date	Borrowing Period	Original Loan Years	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2022	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 31/05/2023
Monthly Payments												
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		115,541.14	12,866,178.72	276,008.81		12,590,169.91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		113,044.24	12,590,169.91	278,371.02		12,311,798.89
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		106,871.95	12,311,798.89	284,543.31		12,027,255.58
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		107,682.35	12,027,255.58	283,532.91		11,743,722.67
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		101,941.36	11,743,722.67	289,473.90		11,454,248.77
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		101,048.64	11,454,248.77	288,671.97		11,165,576.80
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		100,493.84	11,165,576.80	290,921.28		10,874,655.52
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		88,105.08	10,874,655.52	303,310.04		10,571,345.48
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		94,824.56	10,571,345.48	295,590.53		10,274,754.95
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		89,191.48	10,274,754.95	302,223.63		9,972,531.32
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		89,680.45	9,972,531.32	301,734.67		9,670,796.65
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			9,670,796.65			9,670,796.65
ANNUITY LOANS												
NW103677/1	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	Provision of Infrastructure	14.75	1,108,625.13	12,866,178.72	3,195,382.07	0.00	9,670,796.65
TOTAL ANNUITIES								1,108,625.13	12,866,178.72	3,195,382.07		9,670,796.65

PART 2 SUPPORTING DOCUMENTATION

3. IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS

3.1 Debtor's age analysis

Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 7,829,750,215 as at 31 May 2023 compared to R7,726,257,145 as at 30 April 2023.

Current to 30 days debt amounted to R 302,102,668 as at 31 May 2023 and has decreased with R 1,712,147 compared to R 303,814,815 as at 30 April 2023.

31 to 60 days debt increased with R 4,081,376, 61 to 90 days decreased with R 214,854 and 91 days and older debt as at 31 May 2023 amounted to R 7,175,577,568 and has increased with R 101,338,696 compared to R7,074,238,872 as at 30 April 2023.

Interest on debtors is also included in total debtors' book.

Debtors age analysis per debtor type

Government Debt R 101,387,083 (1,3%)

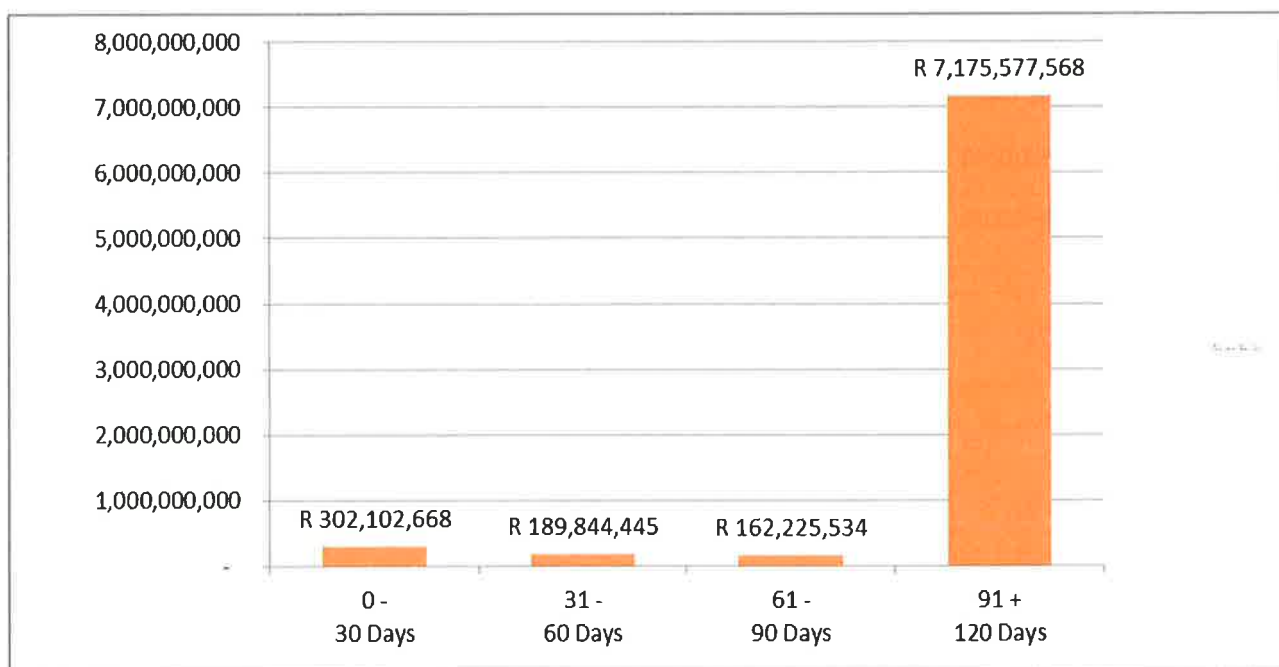
Business debtors' R 608,156,863 (7.8%)

Domestic debtors' R7,120,206,269 (90,9%)

TABLE 12: OUTSTANDING DEBTORS AS AT 31 MAY 2023

DEBTOR'S AGE ANALYSIS - 31 May2023

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
Debtors Age Analysis By Income Source					
Water Tariffs	101,475,044	62,165,237	55,623,829	2,658,881,234	2,878,145,344
Electricity Tariffs	72,686,313	33,104,013	18,641,257	465,339,353	589,770,936
Rates (Property Rates)	33,042,654	15,438,288	12,313,185	385,177,570	445,971,697
Sewerage/ Sanitation	9,391,905	6,680,490	6,400,842	351,994,921	374,468,158
Refuse Removal Tariffs	17,683,627	13,903,693	13,233,042	704,622,612	749,442,974
Other	67,823,125	58,552,724	56,013,379	2,609,561,878	2,791,951,106
Total By Income Source	302,102,668	189,844,445	162,225,534	7,175,577,568	7,829,750,215
Debtors Age Analysis By Customer Group					
Government	8,483,746	3,883,500	2,279,161	86,740,676	101,387,083
Business	77,451,147	27,279,024	17,293,393	486,133,299	608,156,863
Households	216,167,775	158,681,921	142,652,980	6,602,703,593	7,120,206,269
Other	-	-	-	-	-
Total By Customer Group	302,102,668	189,844,445	162,225,534	7,175,577,568	7,829,750,215



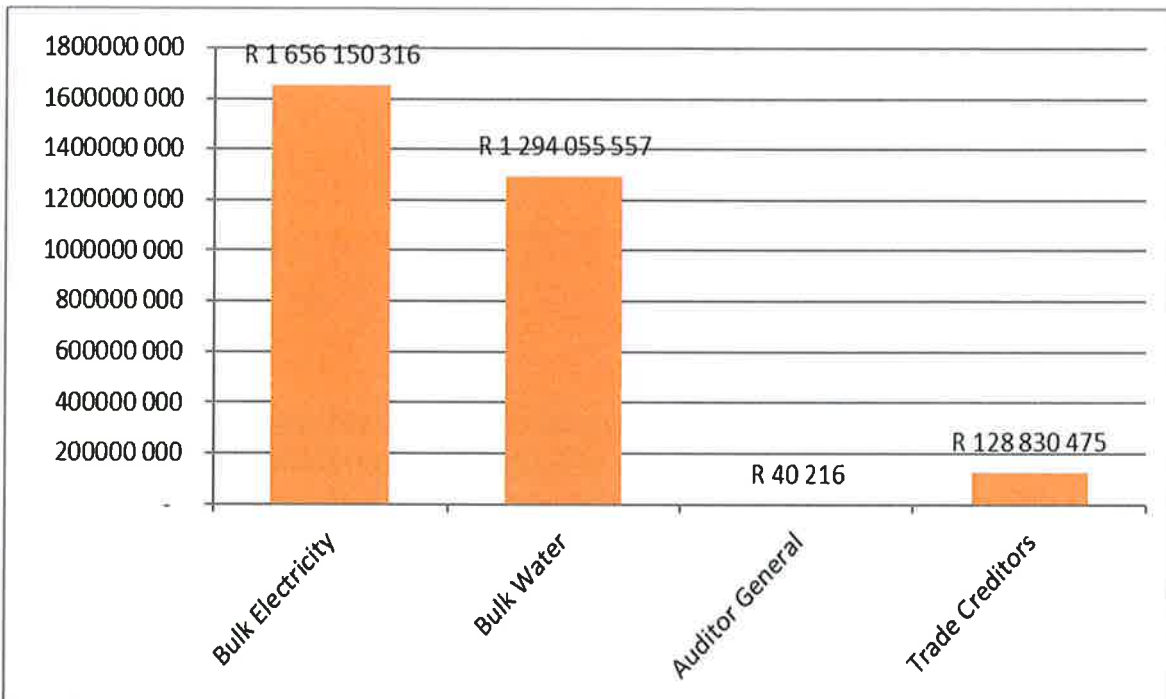
Note: According to the Debtors Age Analysis it is clear that the 90.9% of the total outstanding debt is owed by the Household

3.2 Creditors age analysis

The municipality's total outstanding creditors amounted to R 3,079,076,633 as at 31 May 2023 compared with R 3,111,829,706 as at 30 April 2023 and has decreased with R 32,753,073

TABLE 13: CREDITOR'S AGE ANALYSIS AS AT 31 May 2023

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days/Arreas	Total
Bulk Electricity	81 452 052	146 947 353	-	1 427 750 911	-	1 656 150 316
Bulk Water	104 740 604	47 780 185	50 010 356	1 091 524 412	-	1 294 055 557
Auditor General	40 196	0	20	-	-	40 216
Trade Creditors	776 886	(961 952)	11 459 178	117 556 363	-	128 830 475
Total	187 009 738	193 765 586	61 469 554	2 636 831 686	-	3 079 076 564



Note: According to the above information, the Municipality's highest outstanding creditor is ESKOM with the total outstanding amount of R1,656 billion followed by Midvaal with the total outstanding amount of R1,294 billion

3.3 Investment

Surplus cash is invested on a daily basis depending on the commitment of funds. The municipality's investments as at 31 May 2023 is as set out in Table 14 below.

TABLE 14: INVESTMENTS AS AT 31 May 2023

NW403 City Of Matlosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands											
Municipality											
ABSA		+	daily call	yes	Variable		156,346	1,055	(136,268)	92,300	113,433
INVESTEC		-	daily call	yes	Variable		7,604	50	-		7,653
SANLAM		2yrs	Policy	yes	Variable	2024/08/01	11,338		-		11,338
FNB		12months	Long term	yes	Variable	2023/06/30	68		-		68
FNB		-	daily call	yes	Variable		23,222	152			23,373
NEOBANK											-
Municipality sub-total							198,577	1,256	(136,268)	92,300	155,865
Entities											
											-
											-
											-
											-
											-
Entities sub-total							-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2						198,577	1,256	(136,268)	92,300	155,865

Note: The municipality started the beginning of the month with total investments of R198,577,250 and after investment made of R92,300,000 and withdrawals of R136,268,437 closed with an investment balance of R155,865,048 which includes collateral and long term investment at the five listed local banks.

3.4 Allocations received and Actual expenditure on allocations received

The municipality's position with regard to grant allocation received and the actual expenditure on the grant allocations received are set out in Table 15 and 16 below.

TABLE 15: TRANSFER AND GRANT RECEIPTS

NW403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		509,661	560,590	560,590	734	547,678	513,874	33,803	6.6%	560,590
Energy Efficiency and Demand Side Management Grant		-	5,000	5,000	-	1,651	4,583	(2,932)	-64.0%	5,000
Equitable Share		484,096	545,300	545,300	-	538,013	499,858	38,155	7.6%	545,300
Expanded Public Works Programme Integrated Grant		1,756	2,181	2,181	186	1,993	1,999	(6)	-0.3%	2,181
Local Government Financial Management Grant		3,123	3,100	3,100	111	1,834	2,842	(1,008)	-35.5%	3,100
Municipal Disaster Relief Grant		15,897	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	4,789	5,009	5,009	438	4,187	4,592	(405)	-8.8%	5,009
Other transfers and grants [insert description]										
Provincial Government:		1,570	1,234	1,388	-	341	1,254	(913)	-72.8%	1,388
Capacity Building and Other Grants		1,570	1,234	1,388	-	341	1,254	(913)	-72.8%	1,388
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	511,231	561,824	561,978	734	548,019	515,129	32,890	6.4%	561,978
Capital Transfers and Grants										
National Government:		156,811	169,918	169,918	7,313	66,187	155,758	(89,571)	-57.5%	169,918
Integrated National Electrification Programme Grant		-	29,064	29,064	1,455	14,862	26,642	(11,780)	-44.2%	29,064
Municipal Infrastructure Grant		92,568	95,178	95,178	5,858	39,469	87,246	(47,777)	-54.8%	95,178
Neighbourhood Development Partnership Grant		55,743	30,000	30,000	-	10,101	27,500	(17,399)	-63.3%	30,000
Water Services Infrastructure Grant		8,500	15,676	15,676	-	1,755	14,370	(12,615)	-87.8%	15,676
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Developers Contribution		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	156,811	169,918	169,918	7,313	66,187	155,758	(89,571)	-57.5%	169,918
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	668,042	731,742	731,896	8,047	614,205	670,887	(56,681)	-8.4%	731,896

Note: The table reflect the YTD actual revenue amounts to R 614.2 million, against the YTD budget of R670.9 million as at 31 May 2023. Revenue on Grants can only be recognized when conditions are met.

TABLE 16: TRANSFER AND GRANT EXPENDITURE

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		109,339	102,079	104,277	4,938	85,473	95,216	(9,743)	-10.2%	104,277
Energy Efficiency and Demand Side Management Grant	22	4,549	5,000	-	2,521	4,531	(2,009)	-44.4%	5,000	
Equitable Share	71,877	86,606	88,906	4,063	74,196	81,114	(6,918)	-8.5%	88,906	
Expanded Public Works Programme Integrated Grant	1,968	2,701	2,201	207	2,201	2,076	124	6.0%	2,201	
Local Government Financial Management Grant	21,708	3,100	3,100	190	1,870	2,842	(972)	-34.2%	3,100	
Municipal Disaster Relief Grant	8,661	-	-	-	-	-	-	-	-	
Municipal Infrastructure Grant	5,103	5,124	5,069	478	4,685	4,653	32	0.7%	5,069	
Provincial Government:		755	1,256	2,038	335	1,419	1,777	(358)	-20.2%	2,038
Capacity Building and Other Grants	755	1,256	2,038	335	1,419	1,777	(358)	-20.2%	2,038	
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		110,095	103,335	106,315	5,273	86,892	96,993	(10,101)	-10.4%	106,315
Capital expenditure of Transfers and Grants										
National Government:		145,097	169,918	169,918	6,755	62,416	155,758	(93,342)	-59.9%	169,918
Integrated National Electrification Programme Grant	-	29,064	29,064	3,665	16,589	26,642	(10,053)	-37.7%	29,064	
Municipal Disaster Relief Grant	9,663	-	-	-	-	-	-	-	-	
Municipal Infrastructure Grant	79,512	95,178	95,178	1,885	34,196	87,246	(53,050)	-60.8%	95,178	
Neighbourhood Development Partnership Grant	48,530	30,000	30,000	1,204	10,104	27,500	(17,396)	-63.3%	30,000	
Water Services Infrastructure Grant	7,391	15,676	15,676	-	1,526	14,370	(12,843)	-89.4%	15,676	
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Developers Contribution	-	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		145,097	169,918	169,918	6,755	62,416	155,758	(93,342)	-59.9%	169,918
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		255,191	273,253	276,232	12,028	149,308	252,751	(103,443)	-40.9%	276,232

Note: The table reflect the YTD actual expenditure incurred amounting to R149.3 million, against the YTD budget of R252.8 million as at 31 May 2023.

3.5 COUNCILORS AND EMPLOYEE BENEFITS

- Employees related cost – R 644.1 million spent as at 31 May 2023
- Council Remuneration – R 33.9 million spent as at 31 May 2023

TABLE 17: COUNCILORS AND EMPLOYEE BENEFITS

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		21,698	24,558	24,558	1,919	21,832	22,511	(679)	-3%	24,558
Pension and UIF Contributions		1,394	2,246	2,246	151	1,632	2,059	(428)	-21%	2,246
Medical Aid Contributions		6	18	18	-	-	17	(17)	-100%	18
Motor Vehicle Allowance										
Cellphone Allowance		3,390	2,858	2,858	262	2,605	2,620	(15)	-1%	2,858
Housing Allowances										
Other benefits and allowances		7,701	9,775	9,775	690	7,821	8,961	(1,140)	-13%	9,775
Sub Total - Councillors		34,189	39,456	39,456	3,022	33,890	36,168	(2,278)	-6%	39,456
% increase	4		15.4%	15.4%						15.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5,333	10,803	10,803	-	(2,811)	9,903	(12,714)	-128%	10,803
Pension and UIF Contributions		10	16	16	-	5	14	(10)	-68%	16
Medical Aid Contributions		57	50	50	-	33	46	(13)	-27%	50
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		659	1,364	1,364	-	192	1,250	(1,058)	-85%	1,364
Cellphone Allowance		20	211	211	-	-	193	(193)	-100%	211
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	8	8	-	-	7	(7)	-100%	8
Payments in lieu of leave		100	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6,179	12,452	12,452	-	(2,581)	11,414	(13,996)	-123%	12,452
% increase	4		101.5%	101.5%						101.5%
Other Municipal Staff										
Basic Salaries and Wages		424,493	476,456	460,844	37,025	402,993	424,365	(21,372)	-5%	460,844
Pension and UIF Contributions		87,036	98,312	98,312	7,514	82,258	90,120	(7,863)	-9%	98,312
Medical Aid Contributions		38,294	44,045	44,045	3,427	36,147	40,375	(4,228)	-10%	44,045
Overtime		61,810	25,944	30,224	6,314	62,568	27,218	35,350	130%	30,224
Performance Bonus		33,145	38,047	38,047	2,150	30,731	34,877	(4,146)	-12%	38,047
Motor Vehicle Allowance										
Cellphone Allowance		996	1,410	1,410	130	1,314	1,293	21	2%	1,410
Housing Allowances		6,549	7,861	7,861	519	5,794	7,206	(1,412)	-20%	7,861
Other benefits and allowances		15,497	25,327	35,559	3,473	18,141	31,394	(13,253)	-42%	35,559
Payments in lieu of leave		3,902	14,184	14,184	478	6,735	13,002	(6,267)	-48%	14,184
Long service awards		(501)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	8,790	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		680,010	731,586	730,486	61,031	646,680	669,849	(23,169)	-3%	730,486
% increase	4		7.6%	7.4%						7.4%
Total Parent Municipality		720,378	783,493	782,393	64,053	677,988	717,431	(39,443)	-5%	782,393

TABLE: 18 MATERIAL VARIANCES

NW403 City of Matlosana - Supporting Table SC1 Material variance explanations – M11 May 2023					
Ref	Description				
		Variance	%	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands				
1	Revenue By Source				
	Service Charges: Electricity	(190,801,590)	-19%	Less revenue billed on electricity than initially anticipated. The budget on electricity revenue was adjusted downwards with the February adjustment budget to bring it in line with the current trends. The reduction on this line item can also be attributed to the current implementation of load shedding by ESKOM.	The municipality has to enforce measures to reduce illegal connections and ensure that all properties consuming electricity are billed.
	Service Charges: Refuse	(25,055,497)	-12%	Revenue was less than projected	
	Interest earned – external investment	5,129,695	60%	Revenue was more than projected, mainly on interest earned on investments.	
	Interest earned – outstanding debtors	58,855,998	12%	The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.	
	License and Permits	(1,197,205)	-14%	One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices	
	Fines, penalties and forfeits	(1,317,625)	-31%	The budgeted amount consists of numerous items (e.g. traffic fines, court fines, illegal connection, etc.) in this instance under performance was mostly on non-collection of traffic fines which was due to shortage of staff and vacant positions that are not filled to date. According the traffic department they are in a process of advertising post of which changes will be seen in the coming months after the appointment of new staff	
	Other revenue	(34,035,665)	-45%	The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.	

2	Expenditure by Type				
	Bulk Purchases - electricity	(652,282,304)	-65%	Expenditure is lower due to the outstanding Eskom invoices, it is difficult for the Municipality to meet the obligation due to the low collection rate.	Implement revenue enhancement And debt collection rate strategies.
	Contracted services	(167,513,840)	-40%	Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Under performance can be attributed to the delay in payments of invoices due to financial constraints. Funds are committed and expenditure is expected to increase in the following months	
	Finance Charges	(8,148,739)	-87%	The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.	
	Inventory Consumed	(71,868,104)	-15%	Inventory consumed includes Bulk water expenditure is lower due to the outstanding Midvaal invoices, the Municipality is struggling to meet the obligation due to financial constraints.	
	Other Expenditure	(37,675,134)	-15%	The underspending is as a result of cash flow challenges. Spending on the items is directly linked with cash flow. If there is improvement on cash flow then spending will also increase.	

TABLE 19: FINANCIAL PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 May

Description of financial indicator	Basis of calculation	Ref	2021/22	Budget Year 2022/23			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.6%	11.4%	10.3%	0.0%	1.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		71.2%	29.8%	42.2%	93.1%	42.2%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	43.0%	72.5%	59.0%	66.8%	59.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		5.6%	21.7%	16.9%	10.2%	16.9%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		39.8%	21.8%	23.5%	69.7%	23.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	0.0%	25.0%	25.0%	0.0%	25.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	0.0%	23.0%	23.0%	0.0%	23.0%
Employee costs	Employee costs/Total Revenue - capital revenue		18.6%	18.5%	18.6%	19.0%	18.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.1%	5.6%	6.6%	5.9%	6.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		13.5%	11.2%	11.3%	0.0%	1.2%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

TABLE: 20 CAPITAL EXPENDITURE PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M11 May

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	12,712	18,086	18,086	1,500	1,500	18,086	16,587	91.7%	1%
August	12,712	18,086	18,086	7,809	9,309	36,173	26,864	74.3%	4%
September	12,712	18,086	18,086	6,509	15,818	54,259	38,442	70.8%	7%
October	12,712	18,086	18,086	3,082	18,899	72,346	53,447	73.9%	9%
November	12,712	18,086	18,086	1,767	20,666	90,432	69,766	77.1%	10%
December	12,712	18,086	18,086	18,549	39,215	108,519	69,303	63.9%	18%
January	12,712	18,086	18,086	1,982	41,197	126,605	85,408	67.5%	19%
February	12,712	18,086	20,809	8,542	49,739	147,415	97,676	66.3%	23%
March	12,712	18,086	20,809	13,268	63,007	168,224	105,217	62.5%	29%
April	12,712	18,086	20,809	5,806	68,813	189,033	120,220	63.6%	0
May	12,712	18,086	20,809	14,121	82,935	209,842	126,908	60.5%	0
June	12,712	18,086	20,809	-		230,651	-		
Total Capital expenditure	152,541	217,038	230,651	82,935					

3.6 OTHER SUPPORTING DOCUMENTS

- SC13a: Capital expenditure on new assets by assets class
- SC 13b: Capital expenditure on renewal of existing assets
- SC 13c: Expenditure On repairs and maintenance by assets class
- SC 13d: Depreciation by assets class
- SC 13e: Expenditure on upgrading of existing assets by assets class

SUPPORTING TABLE SC13a:

NW403 City Of Matlosana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		107,989	171,357	164,197	10,507	57,082	151,731	94,649	62.4%	164,197
Roads Infrastructure		50,195	57,182	61,004	3,098	21,901	55,092	33,191	60.2%	61,004
Roads		50,195	57,182	61,004	3,098	21,901	55,092	33,191	60.2%	61,004
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		20,538	53,944	53,944	5,732	23,885	49,449	25,564	51.7%	53,944
Power Plants										
HV Substations		7,444	22,000	22,000	2,067	6,227	20,167	13,940	69.1%	22,000
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks		13,093	29,064	29,064	3,665	16,589	26,642	10,053	37.7%	29,064
LV Networks			2,880	2,880		1,069	2,640	1,571	59.5%	2,880
Capital Spares										
Water Supply Infrastructure		28,398	28,715	32,680	137	6,673	29,876	23,203	77.7%	32,680
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations		4,071								
Water Treatment Works										
Bulk Mains		20,668	13,504	17,004	137	5,147	15,561	10,414	66.9%	17,004
Distribution		3,659	15,210	15,676		1,526	14,315	12,789	89.3%	15,676
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		8,858	21,069	11,569		1,127	11,713	10,586	90.4%	11,569
Pump Station		3,659		5,569		982	4,873	3,891	79.8%	5,569
Reticulation		5,199	21,069	6,000		145	6,840	6,696	97.9%	6,000
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure			10,447	5,000	1,540	3,496	5,600	2,104	37.6%	5,000
Landfill Sites										
Waste Transfer Stations			10,447	5,000	1,540	3,496	5,600	2,104	37.6%	5,000
Community Assets		25,390	15,431	15,431	3,716	6,998	14,145	7,147	50.5%	15,431
Community Facilities			5,000	5,000	4,878	4,878	4,583	(294)	-6.4%	5,000
Public Open Space			5,000	5,000	4,878	4,878	4,583	(294)	-6.4%	5,000
Sport and Recreation Facilities		25,390	10,431	10,431	(1,162)	2,121	9,562	7,441	77.8%	10,431
Indoor Facilities										
Outdoor Facilities		25,390	10,431	10,431	(1,162)	2,121	9,562	7,441	77.8%	10,431

Intangible Assets	-	520	520	-	-	477	477	100.0%	520	
<i>Servitudes</i>										
Licences and Rights	-	520	520	-	-	477	477	100.0%	520	
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>	-	520	520	-	-	477	477	100.0%	520	
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
Computer Equipment	-	-	25	-	-	20	20	100.0%	25	
Computer Equipment	-	-	25	-	-	20	20	100.0%	25	
Furniture and Office Equipment	-	2,000	1,300	18	336	1,483	1,147	77.3%	1,300	
Furniture and Office Equipment	-	2,000	1,300	18	336	1,483	1,147	77.3%	1,300	
Machinery and Equipment	-	4,600	4,600	(810)	266	4,217	3,951	93.7%	4,600	
Machinery and Equipment	-	4,600	4,600	(810)	266	4,217	3,951	93.7%	4,600	
Transport Assets	-	7,000	28,914	1,215	11,452	23,357	11,904	51.0%	28,914	
Transport Assets	-	7,000	28,914	1,215	11,452	23,357	11,904	51.0%	28,914	
Land	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on new assets	1	133,379	200,908	214,987	14,645	76,135	195,429	119,294	61.0%	214,987

SUPPORTING TABLE SC13b

NW403 City Of Matlosana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		5,483	2,066	1,600	538	1,166	1,521	355	23.4%	1,600
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	1,600	1,600	538	1,166	1,467	301	20.5%	1,600
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	1,600	1,600	538	1,166	1,467	301	20.5%	1,600
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		5,483	466	-	-	-	54	54	100.0%	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		5,483	466	-	-	-	54	54	100.0%	-
Total Capital Expenditure on renewal of existing ass	1	5,483	2,066	1,600	538	1,166	1,521	355	23.4%	1,600

SUPPORTING TABLE SC13c

NW403 City Of Matlosana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		92,816	156,185	190,294	25,576	162,191	170,244	8,053	4.7%	190,294
Roads Infrastructure		14,286	48,376	63,796	13,578	61,756	56,548	(5,208)	-9.2%	63,796
Roads		14,034	47,744	62,444	13,554	61,309	55,525	(5,784)	-10.4%	62,444
Road Structures										
Road Furniture		251	632	1,352	24	446	1,023	577	56.4%	1,352
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		45,970	69,691	86,221	8,076	65,432	77,249	11,817	15.3%	86,221
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations		330	278	778		261	655	394	60.1%	778
MV Switching Stations		3	115	115			105	105	100.0%	115
MV Networks										
LV Networks		45,637	69,298	85,328	8,076	65,171	76,468	11,318	14.8%	85,328
Capital Spares										
Water Supply Infrastructure		25,146	17,565	19,965	3,009	16,806	17,811	1,005	5.6%	19,965
Dams and Weirs										
Boreholes										
Reservoirs		945	3,494	3,494		3,517	3,203	(314)	-9.8%	3,494
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution		24,201	14,070	16,470	3,009	13,289	14,608	1,319	9.0%	16,470
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		7,415	20,553	20,312	912	18,198	18,636	439	2.4%	20,312
Pump Station										
Reticulation		5,540	10,903	10,662	177	10,348	9,791	(557)	-5.7%	10,662
Waste Water Treatment Works		1,875	9,650	9,650	735	7,850	8,846	996	11.3%	9,650
Community Assets		2,500	13,208	13,928	765	12,592	12,683	91	0.7%	13,928
Community Facilities		415	6,181	6,901	364	5,738	6,242	505	8.1%	6,901
Museums		28	104	119		81	108	27	24.8%	119
Galleries										
Theatres										
Libraries		417	980	985	47	806	902	96	10.6%	985
Cemeteries/Crematoria		(209)	3,916	4,616	0	4,422	4,150	(272)	-6.6%	4,616
Police										
Parks										
Public Open Space			4	4			4	4	100.0%	4
Nature Reserves		90	505	505	311	420	463	43	9.3%	505
Public Ablution Facilities										
Markets		89	672	672	6	9	616	607	98.6%	672
Sport and Recreation Facilities		2,085	7,026	7,026	402	6,854	6,441	(413)	-6.4%	7,026
Indoor Facilities		670	2,330	2,330	306	2,246	2,136	(110)	-5.2%	2,330
Outdoor Facilities		1,415	4,696	4,696	96	4,608	4,305	(303)	-7.0%	4,696
Capital Spares										
Heritage assets		79	168	188			170	170	100.0%	188
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas		79	168	188			170	170	100.0%	188

Other assets	1,131	5,127	7,505	321	2,165	6,606	4,441	67.2%	7,505	
Operational Buildings	1,131	5,127	7,505	321	2,165	6,606	4,441	67.2%	7,505	
Municipal Offices	1,102	5,070	7,448	316	2,137	6,554	4,416	67.4%	7,448	
Pay/Enquiry Points										
Building Plan Offices										
Workshops	26	48	48	4	28	44	16	36.2%	48	
Yards										
Stores	2	9	9	-	-	8	8	100.0%	9	
Intangible Assets	1,337	3,931	3,971	69	2,339	3,645	1,306	35.8%	3,971	
Servitudes										
Licences and Rights	1,337	3,931	3,971	69	2,339	3,645	1,306	35.8%	3,971	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	1,337	3,931	3,971	69	2,339	3,645	1,306	35.8%	3,971	
Load Settlement Software Applications										
Unspecified										
Computer Equipment	3,389	4,065	4,065	397	1,605	3,726	2,121	56.9%	4,065	
Computer Equipment	3,389	4,065	4,065	397	1,605	3,726	2,121	56.9%	4,065	
Furniture and Office Equipment	427	1,199	2,216	731	1,327	1,920	593	30.9%	2,216	
Furniture and Office Equipment	427	1,199	2,216	731	1,327	1,920	593	30.9%	2,216	
Machinery and Equipment	11,385	24,213	24,233	2,308	15,740	22,212	6,471	29.1%	24,233	
Machinery and Equipment	11,385	24,213	24,233	2,308	15,740	22,212	6,471	29.1%	24,233	
Transport Assets	2,557	15,894	15,814	-	188	14,506	14,318	98.7%	15,814	
Transport Assets	2,557	15,894	15,814	-	188	14,506	14,318	98.7%	15,814	
Land	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	1	115,619	223,989	262,212	30,167	198,147	235,711	37,564	15.9%	262,212

SUPPORTING TABLE SC13d

NW403 City Of Matlosana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M11 May

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		281,187	287,692	322,692	-	209,380	291,718	82,338	28.2%	322,692
Roads Infrastructure		92,856	96,260	96,260	-	65,071	88,238	23,167	26.3%	96,260
Roads		92,856	96,260	96,260	-	65,071	88,238	23,167	26.3%	96,260
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		56,338	49,997	59,997	-	41,794	53,831	12,037	22.4%	59,997
Power Plants		567	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		55,771	49,997	59,997	-	41,794	53,831	12,037	22.4%	59,997
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		130,774	93,480	93,480	-	55,326	85,690	30,364	35.4%	93,480
Dams and Weirs		84	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		130,690	93,480	93,480	-	55,326	85,690	30,364	35.4%	93,480
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		1,219	47,956	72,956	-	47,190	63,959	16,769	26.2%	72,956
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		232	47,956	72,956	-	47,190	63,959	16,769	26.2%	72,956
Waste Water Treatment Works		987	-	-	-	-	-	-	-	-
Community Assets		213	-	-	-	-	-	-	-	-
Community Facilities		213	-	-	-	-	-	-	-	-
Halls		213	-	-	-	-	-	-	-	-
Other assets		78,177	77,763	79,263	-	58,633	72,482	13,850	19.1%	79,263
Operational Buildings		78,177	77,763	79,263	-	58,633	72,482	13,850	19.1%	79,263
Municipal Offices		78,177	77,763	79,263	-	58,633	72,482	13,850	19.1%	79,263
Computer Equipment		716	963	1,763	-	735	1,522	787	51.7%	1,763
Computer Equipment		716	963	1,763	-	735	1,522	787	51.7%	1,763
Furniture and Office Equipment		22,139	1,117	2,617	-	1,326	2,224	898	40.4%	2,617
Furniture and Office Equipment		22,139	1,117	2,617	-	1,326	2,224	898	40.4%	2,617
Machinery and Equipment		954	-	-	-	-	-	-	-	-
Machinery and Equipment		954	-	-	-	-	-	-	-	-
Transport Assets		94	72,466	33,666	-	2,255	35,387	33,132	93.6%	33,666
Transport Assets		94	72,466	33,666	-	2,255	35,387	33,132	93.6%	33,666
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	383,480	440,000	440,000	-	272,329	403,333	131,005	32.5%	440,000

SUPPORTING TABLE SC13e

NW403 City Of Matlosana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Community Assets		13,678	11,064	11,064	(1,062)	2,759	10,142	7,384	72.8%	11,064
Community Facilities		13,678	11,064	11,064	(1,062)	2,759	10,142	7,384	72.8%	11,064
Testing Stations		-	3,000	3,000	-	1,132	2,750	1,618	58.8%	3,000
Markets		13,678	8,064	8,064	(1,062)	1,627	7,392	5,766	78.0%	8,064
Other assets		-	3,000	3,000	-	2,876	2,750	(126)	-4.6%	3,000
Operational Buildings		-	3,000	3,000	-	2,876	2,750	(126)	-4.6%	3,000
Municipal Offices		-	3,000	3,000	-	2,876	2,750	(126)	-4.6%	3,000
Total Capital Expenditure on upgrading of existing	1	13,678	14,064	14,064	(1,062)	5,634	12,892	7,258	56.3%	14,064

6.6 RECOMMENDATIONS

Based on the contents of this report, it is recommended that the Accounting Officer submits to the Executive Mayor this report for May 2023 as per section 71 of the MFMA.